

WE
CAPTURE
WHAT
MOVES

MANE

KANCOR

MINT

MARKET OVERVIEW

JULY 2021



A monthly summary of the Mint Crop Market conditions from different growing regions of India, where they are at its best.

MINT HARVESTING

The largest growing region of *Mentha Arvensis* is Uttar Pradesh in North India which contributes to more than 80% of the crop in India and rest 20% is contributed by its neighbouring states that includes Punjab, Bihar and Madhya Pradesh.

Mentha Arvensis is produced commercially only in India and therefore the global demand of natural menthol and its derivatives are concentrated in these regions. The crop acts as a perfect interim crop in between the major crops and this has resulted in the concentration of global production of mint to this region of North India.



The climatic and soil conditions are the best as it lies in the foothills of the Himalayas and with humid sub tropical climate that suites the mint crop.

This year, mint harvesting was delayed by 2-3 weeks due to variation in climatic conditions during May

and because of slight rains during end May, the harvesting got pushed further to June.

By June 2nd week, there were significant rainfalls in the growing region which led to major water logging in fields and subsequent damage in crop.



This has affected the yield during distillation and excessive water logging also led to weeding which is in turn affecting the crop yield.

For the past 2 weeks, climatic conditions have been favourable which has improved the harvesting and ongoing distillation.

Mint harvest is expected to complete 85% by first week of July '21.



CLIMATE AND PRODUCTION EXPECTATION:

Heavy rainfall in the major growing regions have subsided the crop expectation for the season. Due to lack of dry and warm conditions, oil content is

also expected to be at the downside. Experts estimate a dampened volume expectation for the current season. It is estimated that oil production



Damaged Crop due to bad weather

may get reduced by 15-20% from the earlier estimates because of crop damage & reduced yield. On the other hand, aggressive trading can be expected in MCX platform as the minimum trading unit was revised (w.e.f July contracts) from 6 drums (1080 Kg) to 2 drums (360 Kgs). These factors indicate a strong speculation in prices during the short term.



DISTILLATIONS:

The distillation is carried out in vessels with varying sizes based on the regions. The spent after distillation is used as the fuel for the distillation unit. This biomass remaining after the distillation from these units can be used as fertilizers. This is a lean system to ensure energy efficiency. There are distillation units in every village and most of them are farmer owned. In fact, they form an important part of MANE KANCOR's sustainability programme and we consider them as our lead farmers. Many of the training programmes are passed to the farmers through these lead farmers and we have seen its success as it reaches fast and wide.



However constant training to these lead farmers is done by our agriculturists with the support of scientists and experts from the various bodies.

MINT MARKET FORECAST:

We can expect an escalation in oil prices which can be directly attributed to the unfavorable weather conditions. Crop damage and reduced yield in turn can bring dearth in supply against the demand expectation pushing the prices higher during off season.

MARKET SNAPSHOT:

PRICE OUTLOOK



DEMAND EXPECTATION



SUPPLY EXPECTATION



CLIMATE CONDITIONS



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